

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 21, 1995

SUBJECT: **HB 343 - SB 444**

This bill, if enacted, will establish the *Tennessee Student Employment Incentive Program*. The purpose of this program is to provide Tennessee resident students enrolled at higher education institutions with greater opportunities for career-related employment as they complete their undergraduate and graduate course curricula.

The state of Tennessee shall provide reimbursement of up to 35% of wages of participating students employed by private, for-profit and non-profit employers.

The program shall be administered by the Tennessee Student Assistance Corporation and shall require the hiring of a program coordinator and appropriate support staff. The program shall be phased in over a two-year period with first-year funding not to exceed \$50,000 for program start-up and implementation and second year funding of \$1,000,000 to place approximately 2,000 students in work-study positions.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures the first year of \$50,000 for start-up and

an increase in state expenditures of \$1,060,000 the second year. Details are shown below:

First year expenditures for program start-up \$50,000 cap

Second year expenditures will include:

Salaries and administrative	\$ 50,000
Equipment, supplies (one-time start-up cost)	10,000
Program funds	<u>1,000,000</u>
Total Second Year Costs	<u>\$1,060,000</u>

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director